

### REMARKS

Claims 5-9 remain in the application and claims 5-7 have been amended hereby.

Reconsideration is respectfully requested of the rejection of claims 5, 6, and 9 under 35 USC 102(e), as being anticipated by Pieterse et al.

A feature of the present invention is that a request for user authentication is originated, that is, transmitted, from a host center (e.g. a financial institution) to the terminal device. See (3) in Fig. 3.

Looking at Pieterse et al. we see that it is the terminal device and not the host center, such as in the presently claimed invention, that originates the request to update the value data in the IC card. See col. 6, lines 28-36 of Pieterse et al., for example.

Another feature of the present invention is that the IC card is directly connected to the portable terminal receiving the request for user authentication from the host center. Pieterse et al.'s IC card is connected to a telephone adapter that is then connected to a modem interface and is similar to the system described in the "Background of the Invention" section of the present application.

It is respectfully submitted that because of the above-noted configuration of Pieterse et al.'s system, the system of Pieterse et al. is not capable of receiving a request for user authentication originated from a host center.

Accordingly, it is respectfully submitted that amended independent claim 5, and the claims depending therefrom, are patentably distinct over Pieterse et al.

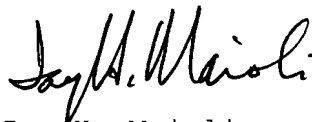
Reconsideration is respectfully requested of the rejection of claims 7 and 8 under 35 USC 103(a), as being unpatentable over Pieterse et al. in view of Zuppicich.

Claims 7 and 8 depend from claim 5 which rejection over Pieterse et al. has been addressed above and, because there are no features in Zuppicich that somehow could be combined with Pieterse et al. and result in the presently claimed invention, it is respectfully submitted that claims 7 and 8 are patentably distinct over Pieterse et al. in view of Zuppicich.

The prior art made of record and not relied upon has been reviewed and is not seen to show or suggest the present invention as recited in the amended claims.

Favorable reconsideration is earnestly solicited.

Respectfully submitted,  
COOPER & DUNHAM

A handwritten signature in cursive script, reading "Jay H. Maioli".

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